

Assembly Bill No. 737

CHAPTER 183

An act to amend Section 14838.5 of the Government Code, relating to public contracts.

[Approved by Governor August 12, 2001. Filed with Secretary of State August 13, 2001.]

LEGISLATIVE COUNSEL'S DIGEST

AB 737, Oropeza. Disabled veteran business enterprises.

The Small Business Procurement and Contract Act permits a state agency to award a contract for goods, services, or information technology with a value of between \$5,000 and \$100,000 to a small business without complying with specified competitive bidding requirements.

This bill would allow the award of a contract under this exemption to a certified disabled veteran business enterprise, and would require small businesses to be certified to contract under this exemption.

The people of the State of California do enact as follows:

SECTION 1. Section 14838.5 of the Government Code is amended to read:

14838.5. (a) Notwithstanding the advertising, bidding, and protest provisions of Chapter 6 (commencing with Section 14825) of this code and Chapter 2 (commencing with Section 10290) and Chapter 3 (commencing with Section 12100) of Part 2 of Division 2 of the Public Contract Code, a state agency may award a contract for the acquisition of goods, services, or information technology that has an estimated value of greater than five thousand dollars (\$5,000), but less than one hundred thousand dollars (\$100,000), to a certified small business or disabled veteran business enterprise, as long as the agency obtains price quotations from two or more certified small businesses or disabled veteran business enterprises.

(b) In carrying out subdivision (a), state agencies shall consider a responsive offer timely received from a responsible certified small business or disabled veteran business enterprises.

(c) If the estimated cost to the state is less than five thousand dollars (\$5,000) for the acquisition of goods, services, or information technology, or a greater amount as administratively established by the director, a state agency shall obtain at least two price quotations from



responsible suppliers whenever there is reason to believe a response from a single source is not a fair and reasonable price.

